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NOV 24 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
MTS and WATS Market Structure	)	CC Docket No. 78-72
	)	
Amendment of Part 36 of the Commission's Rules and Establishment of a Joint Board	)	CC Docket No. 80-286

PETITION OF AMERICAN TELEPHONE AND TELEGRAPH COMPANY FOR RULEMAKING

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November 24, 1993

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SUMMARY

In 1989, AT&T filed a petition for rulemaking requesting that the Commission change the method of allocating the costs of the Universal Service Fund ("USF") among interexchange carriers from one based upon presubscribed lines to one based upon revenues or minutes. The Commission has not yet acted on that petition. AT&T is filing the present petition to ensure that the Commission addresses this critical issue at the same time it conducts the comprehensive review of USF issues recently announced in the Commission's Notice of Proposed Rulemaking ("Notice"), as well as when fashioning interim measures to govern the operation of the USF during that review.

There are three reasons why the Commission should address this issue at the same time it addresses other USF issues. First, it is even more clear today than in 1989 that the per-line allocation formula discriminates against AT&T and thereby distorts competition for interexchange service, contrary to well-settled Commission policy. Today, AT&T still pays some 75 percent of all USF costs, even though its market share (of both minutes and revenues) has declined to approximately 60 percent from 66 percent in 1989. And, on a per-unit basis (whether measured in minutes or dollars of long-distance revenue), AT&T still pays more than twice as much as its competitors.

Second, the current formula artificially discourages IXCs from serving low-volume users, and for this reason independently violates settled Commission policy. The current annual USF charge of $5.47 per presubscribed line exceeds the revenues received from many low-volume users, thereby foreclosing competition from other IXCs.

Third, given the close logical and practical relationship between the USF allocation issue and the other USF-related issues the Commission has indicated it intends to address during the upcoming review, the Commission cannot rationally decline to address the allocation issue at the same time. The impact of USF costs upon interexchange carriers -- which the *Notice* cites as the principal motivation for the comprehensive review -- depends critically upon the manner in which those costs are allocated among IXCs. Moreover, addressing and resolving the allocation issue concurrently with the other issues mentioned in the *Notice* will be more efficient, for carriers as well as the Commission, than piecemeal review.

Finally, AT&T urges the Commission to adopt a temporary, revenue-based allocation mechanism in lieu of the current mechanism at the same time the Commission imposes the temporary USF cap recently recommended by the Joint Board. This change will ameliorate, albeit temporarily, the problems described above.

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PETITION OF AMERICAN TELEPHONE
AND TELEGRAPH COMPANY FOR RULEMAKING

Pursuant to Section 1.401 of the Commission's Rules, 47 C.F.R. § 1.401, American Telephone and Telegraph Company ("AT&T") petitions the Commission to establish a rulemaking proceeding or proceedings (1) to develop, simultaneously with the Commission's upcoming comprehensive review of other issues related to the Universal Service Fund ("USF"), a permanent replacement for the current method of funding the USF; and (2) to adopt, simultaneously with the temporary USF cap recommended by the Federal-State Joint Board in accordance with the Commission's September 14, 1993 Notice of Proposed Rulemaking ("Notice"),[1] a temporary, revenue-

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1 Amendment of Part 36 of the Commission's Rules and Establishment of a Joint Board, CC Docket No. 80-286, Notice of Proposed Rulemaking, FCC No. 93-435 (September 14, 1993). On November 16, the Joint Board recommended that the Commission implement a two year cap on the USF, indexed to the national growth rate in total working loops. See Report No. DC-2530, released November 16, 1993.

based method for allocating USF costs among interexchange carriers ("IXCs"). The current method, which is based upon the number of common lines presubscribed to the IXC, allocates those costs in a discriminatory manner, and is, for that and other reasons, contrary to well-settled Commission policy.

INTRODUCTION

The Commission's September 14 Notice expressly recognizes two serious problems with the current operation of the Universal Service Fund: (1) its rapid, "unchecked" growth, and (2) the often irrational "targeting of high cost assistance" to beneficiaries. Notice at ¶¶ 3, 14. However, despite the Commission's indications of concern for "the full panoply of USF issues" (id. ¶ 15), the Notice nowhere mentions a third and equally serious problem, namely, the discriminatory and anticompetitive manner in which USF costs are allocated among interexchange carriers. The purpose of this Petition is to ensure that the Commission addresses this critical issue, both in conducting the upcoming comprehensive review of USF issues, and in fashioning interim measures to govern the operation of the USF during that review.[2]

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[2] See id. ¶¶ 4-5, 18-26. However, the allocation issue need not -- and should not -- be addressed in the same proceeding as the Commission's planned rulemaking to consider issues affecting the overall size of the USF.

(footnote continued on following page)

AT&T attempted to bring the allocation issue to the Commission's attention in 1989, in a petition for rulemaking that is still pending but has never been acted upon.[3] In its 1989 petition, AT&T demonstrated that it was paying approximately 80 percent of USF (and lifeline assistance) costs, even though its share of interstate (MTS) minutes was only about 66 percent. 1989 Petition at 7. AT&T further demonstrated that, measured on a per-minute basis, its cost for these items was more than twice that of its interexchange competitors. Id. at 9. As AT&T pointed out, the reason for this discrimination is that Part 69 of the Commission's Rules currently allocates USF costs on the basis of presubscribed lines (of which, for historical reasons, AT&T has a disproportionate share) rather than on minutes or revenues.

(footnote continued from previous page)

Controlling the size of the high cost fund presents a host of complex questions, many of which involve jurisdictional separations issues that must be referred in the first instance to the Joint Board. By contrast, revision of the allocation mechanism involves a single issue that is solely within the Commission's jurisdiction. Moreover, in view of the unlawfulness of the current per-line allocation methodology, the Commission should not postpone the adoption of a lawful allocation method until the conclusion of its rulemaking on other USF issues.

3 MTS and WATS Market Structure and Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board, CC Docket Nos. 78-72, 80-286, Petition of American Telephone and Telegraph Company for Rulemaking, filed August 8, 1989 ("1989 Petition").

These competitive distortions have only worsened since 1989. AT&T still pays some 75 percent of all USF costs, even though its market share (of both minutes and revenues) has declined to approximately 60 percent.[4] And, on a per-unit basis (whether measured in minutes or dollars of long-distance revenue), AT&T pays approximately twice as much per minute as its competitors, as illustrated in Appendix 2.

These distortions, moreover, cannot be ameliorated simply by controlling the USF's growth or refining the manner in which it is "targeted" to beneficiaries, as the Notice indicates the Commission plans to do in the near future. AT&T therefore urges the Commission to consider and resolve the allocation issue while it conducts the comprehensive review described in the Notice, and to adopt a temporary, revenue-based allocation mechanism when the Commission caps the fund on January 1, 1994. See Notice, ¶¶ 3, 6.

The remainder of this Petition is organized as follows: Section I explains in detail why the Commission must address the allocation issue during the upcoming comprehensive review. It shows that the current line-

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[4] As shown in Appendix 1, AT&T's share of total presubscribed lines is 73 percent. However, because the USF is allocated among "qualifying" IXCs (those with at least .05 percent of total access lines), AT&T's share of USF costs is increased to 75 percent.

based allocation mechanism is defective as a legal and policy matter because it puts AT&T at a substantial competitive disadvantage and creates an artificial, irrational disincentive to serve low-volume users. Moreover, because the allocation issue is closely related to the USF issues the Commission has already indicated it will address, it would be irrational and arbitrary not to consider that issue at the same time. Section II explains why it would be in the public interest for the Commission, as an interim measure, to adopt a revenue-based allocation mechanism in lieu of the current line-based mechanism.

I. THE ALLOCATION ISSUE MUST BE ADDRESSED CONCURRENTLY WITH COMMISSION'S UPCOMING GENERAL RULEMAKING ON THE USF.

Prior to 1989, the Commission funded the USF (as well as the Lifeline Assistance program) by including the associated costs in the interstate Carrier Common Line ("CCL") revenue requirement, which was recovered through usage-sensitive CCL charges paid by all IXCs. In 1987, as an adjunct to the proposed depooling of LECs' common line costs and revenues, the Joint Board recommended that, effective April 1, 1989, the revenue requirements associated with the USF and Lifeline Assistance programs be removed from the CCL revenue requirement.[5]

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[5] MTS and WATS Market Structure, 2 FCC Rcd. 2324, 2332-34 (1987)("Recommended Decision").

In place of the CCL allocation mechanism, the Joint Board recommended that USF revenues be recovered instead through flat annual charges, billed directly to IXCs, and based upon the number of lines presubscribed to each participating IXC. Recommended Decision at 2332-34. The Joint Board, however, offered no analysis in support of this recommendation, other than the off-hand observation that a flat-rate, line-based charge "should be easy to administer." Id. at 2333. The Commission adopted the Joint Board's proposal without any analysis of this issue.[6]

AT&T thereafter filed its 1989 Petition asking the Commission to replace this line-based funding mechanism with a mechanism that more accurately reflects the IXCs' true market shares. See supra p. 3.[7] The Commission has not yet acted on AT&T's request. As explained below, subsequent developments have only heightened the need to reconsider the current USF allocation mechanism.[8]

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6 Id. at 2953.

7 AT&T's petition has not been acted upon, or even acknowledged, by the Commission. The present petition updates the analysis in, but should not be deemed to supersede, the 1989 Petition.

8 The analysis presented in this Petition applies with equal force to the Lifeline and Link-up subsidy programs. Accordingly, for the same reasons, AT&T believes the Commission should reassess the method by which those subsidies are allocated among IXCs.

A. The Current Per-Line Charge Violates Established Commission Policy Because It Puts AT&T At A Substantial Competitive Disadvantage.

The Commission has often held that charges imposed upon interexchange carriers must "not unduly favor some IXCs at the expense of others."[9] This fundamental policy of non-discrimination is reflected, for example, in the Commission's long-standing access-charge policies, which were specifically designed to eliminate discrimination in access charges among IXCs.[10]

The current, line-based USF allocation mechanism fails this fundamental requirement of non-discrimination among competitors. As shown in Appendix 2, AT&T's USF costs currently amount to approximately .25 cents per long distance access minute, compared to approximately .125 cents per minute (on average) for AT&T's competitors. Similarly, as shown at page 2 of Appendix 2, AT&T pays approximately 1.52 cents per long distance revenue dollar for USF expenses, whereas AT&T's competitors pay (on

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9 See Petitions for Waiver of Various Sections of Part 69 of the Commission's Rules, Memorandum Opinion and Order, FCC 86-145, released April 28, 1986, para. 95 ("Alternative Access Charge Order"). See also, e.g., Competition in the Interstate Interexchange Marketplace, 6 FCC Rcd. 5880 (1991).

10 See MTS and WATS Market Structure, 97 F.C.C. 2d 834, 860 (1984)("OCCs that receive equal access will pay the same per minute charges that are assessed for MTS . . . as equal access becomes available in each end office . . . .").

average) only 0.71 cents. Thus, whether the discrepancy is measured on the basis of minutes or revenues, AT&T's USF cost per unit of service is at least twice that of other IXCs.[11]

This discrepancy has a large and adverse impact on AT&T and its Basket 1 customers. As shown in Appendix 2, of the total 1993 USF revenue requirement of $737.5 million, AT&T and its customers are expected to pay $554.9 million. Thus, AT&T pays approximately 75 percent of total USF costs, even though its market share (measured in either minutes or revenues) is 60 percent or less.[12] In dollar terms, the share of USF costs borne by AT&T and its customers is approximately $109 million per year more than it would be if those costs were allocated on the basis of minutes, and approximately $114 million per year more than if USF costs were allocated on the basis of long distance revenues.[13] See Appendix 3, page 1.

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[11] Moreover, Appendix 2 shows that this discrepancy has consistently widened since the current USF funding mechanism went into effect. Between 1989 and 1993, the discrepancy between AT&T and its competitors increased from approximately .74 cents to .81 cents per dollar of long-distance revenue.

[12] See Appendix 1.

[13] If the USF and Lifeline Assistance programs are considered together, the share of these costs borne by AT&T and its customers is approximately $129 million per year more than it would be if these costs were allocated on the basis of minutes, and approximately $135 million per year more than if these programs'

(footnote continued on following page)

The reason for this discrimination is that the distribution of presubscribed lines -- the basis on which USF costs are currently allocated -- does not accurately reflect the various IXCs' shares of the long distance market. AT&T's competitors have targeted their marketing toward the more profitable, high-volume customers. Accordingly, as shown in Appendix 1, average usage per AT&T-presubscribed line is only 174 access minutes per month, generating average revenues of $29.23 per month, as compared with 306 minutes and $53.03 per month for AT&T's competitors. Because AT&T's customer's average significantly less usage and revenue per line than customers of other IXCs, the flat rate, per-line USF charge results in AT&T's customers paying a disproportionate share of the total USF revenue requirement.

In short, AT&T's anomalous position as the "carrier of last resort" for low-volume users means that AT&T and its customers must already subsidize low-volume users to a far greater extent that other IXCs. The current USF allocation mechanism merely compounds this problem: By allocating USF costs on the basis of presubscribed lines, the current mechanism forces AT&T and

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(footnote continued from previous page)

costs were allocated on the basis of IXC long distance revenues. <u>See</u> Appendix 3, page 2.

its customers to subsidize yet another group of customers -- those in high-cost areas -- to a far greater extent than other IXCs. There is no good reason to maintain this double burden on AT&T and its customers, a burden that obviously hampers AT&T's competitiveness in the interexchange marketplace.

B. The Per-Line Charge Violates Established Commission Policy By Creating An Artificial And Perverse Disincentive To Serve Low-Volume Users.

The current USF allocation mechanism violates Commission policy for another, independent reason: Because it forces IXCs to pay an annual, lump-sum charge (currently $5.47) for every presubscribed line, that mechanism artificially discourages IXCs from seeking out and serving low-volume users.

Indeed, in the Alternative Access Charge Order, the Commission rejected an access charge plan precisely because it would have created an artificial disincentive to serve low-volume users. Speaking of a proposal by U S West to assess certain NTS costs on the basis of presubscribed lines, the Commission held:

> [U S West's plan] could create perverse incentives for IXCs and subscribers with regard to the presubscription process and encourage IXCs to abandon small users . . . . In particular, IXCs would have an incentive to avoid low-volume toll users because a presubscribed low-volume toll user would, in many cases, impose more costs on its IXC than it would generate in revenues. We believe that, by rejecting U S West's [PSL-based] cost allocator, we will ensure that small business and residential subscribers will not be denied the

> benefits of competition in the interexchange market.[14]

The current USF allocation mechanism has precisely the same effect as the proposal the Commission found unacceptable in the Alternative Access Charge Order. Here, as there, IXCs face the functional equivalent of an annual tax -- in this case $5.47 -- on the addition of new users. Here, as there, this annual charge exceeds the revenues received from approximately 33 percent of AT&T's customers whose billed revenues are in the zero to $10 range. Thus, like the proposal rejected in the Alternative Access Charge Order, the current USF allocation mechanism gives IXCs "an incentive to avoid low-volume toll users," and thereby threatens to deny those users the benefits of interexchange competition.[15]

C. The Commission Cannot Rationally Decide To Address Other Significant USF Issues Without Also Addressing The Manner In Which The USF Is Funded.

The Commission's announced intention to address the "full panoply of USF issues" in an upcoming rulemaking

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[14] Alternative Access Charge Order at ¶ 99.

[15] The competitiveness of the long distance marketplace continues to move prices toward cost. Therefore, in order to improve the price to cost relationship for the low volume customer (e.g., non-user), either access costs must be reduced through a new USF allocator, or alternatively AT&T must impose a new charge, assessed on all its presubscribed lines, to recover the USF costs.

(Notice, ¶ 15) likewise heightens the need to address the USF allocation issue now.

The allocation mechanism is closely related to the other two major issues the Commission has specifically identified for consideration: the USF's "unchecked" growth, and the irrational "targeting of high cost assistance" to the USF's beneficiaries. See Notice, ¶¶ 3, 14. The Notice itself recognizes that the main reason for concern over the growing size of the USF is the resulting "substantial increase in the burden upon interstate telecommunications" (id., ¶ 12), including its "effect upon individual carriers" (id., ¶ 16). The effect of the USF upon any particular interexchange carrier depends, not just upon the aggregate size of the USF, but upon the manner in which USF costs are allocated among IXCs.

As a practical matter, moreover, it makes sense to address these issues at the same time. If IXCs' USF obligations are to be adjusted in some way, it is more efficient to make one adjustment rather than two. Further, if the Commission's consideration of issues related to the size of the USF reduces its overall burden, the Commission can use the resulting savings to offset, in whole or in part, any increases in particular IXCs' USF obligations resulting from reform of the allocation mechanism.

For these reasons, it would be arbitrary and capricious for the Commission to launch a comprehensive inquiry into issues related to the size and targeting of the USF without also addressing the allocation of the USF among interexchange carriers.[16]

II. AS AN INTERIM MEASURE, THE COMMISSION SHOULD IMPLEMENT A REVENUE-BASED ALLOCATION MECHANISM WHILE IT CONDUCTS ITS COMPREHENSIVE USF REFORM PROCEEDING.

In addition to requesting consideration of the allocation issue simultaneously with the upcoming broad review of USF issues, AT&T urges the Commission, in the interim, to implement a revenue-based allocation mechanism at the same time as it implements the proposed cap on the USF. See Notice, ¶¶ 15-17. Specifically, AT&T recommends that each IXC's USF payment be calculated on the basis of that carrier's relative share of total IXC gross revenues for the preceding calendar year. Implementation of such a mechanism will promote the public interest.

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[16] There are a variety of alternative methods that would largely avoid the problems discussed above. See supra pp. 7-12. For example, each IXC's PSLs could be weighted by the carrier's proportion of usage per line as compared to total industry usage per line, to better reflect each carrier's relative share of minutes while preserving the current per-line access-charge mechanism. Bulk-billed charges to carriers based upon estimated revenues (perhaps with subsequent adjustments to reflect actual experience) would also reflect more closely each carrier's market share.

A revenue-based mechanism will temporarily alleviate both of the specific weaknesses of the current mechanism. See supra pp. 7-13. In particular, a revenue-based system will avoid anticompetitive discrimination among IXCs because it accurately reflects market shares in the industry. Such a system will likewise eliminate the current disincentive to serve low-volume customers, because a customer will cause IXCs to incur additional USF expense only to the extent the customer generates additional long-distance revenues. Eliminating this disincentive will, in turn, stimulate competition for low-volume users. A revenue-based system, moreover, will be easy to administer, and will comply with the Commission's oft-expressed preference for such systems over systems based on minutes of use.[17]

CONCLUSION

For the reasons stated above, AT&T's petition should be granted, and the Commission should (a) develop a permanent replacement for the existing mechanism concurrently with the Commission's comprehensive review of

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[17] E.g., Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation, CC Docket No. 91-35, Second Report and Order, FCC No. 92-170, released May 8, 1992, ¶ 52; Telecommunications Relay Services and the Americans with Disabilities Act of 1990, CC Docket No. 90-571, Third Report and Order, FCC No. 93-357, released July 20, 1993, ¶ 16.

USF issues, and (b) implement, along with the Commission's proposed two-year cap on USF growth, a revenue-based alternative mechanism for allocating USF costs to interexchange carriers.

Respectfully submitted,

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APPENDIX 1

COMPARISON OF REVENUE, MINUTES AND PSL
AT&T MARKET SHARE
Source: Long Distance Market Share: Second Quarter 1993

	AT&T	OCC	Total	% AT&T
1990				
PSL (000)	100,062	32,347	132,409	75.57%
Revenue ($Million)	33,880	18,222	52,102	65.03%
Access Minutes (Billion)	193	115	308	62.67%
Acc. Min./PSL/Month	160	296	194	
Revenue/PSL/Month	$28.22	$46.94	$32.79	
1991				
PSL (000)	101,496	33,791	135,287	75.02%
Revenue ($Million)	34,384	20,876	55,260	62.22%
Access Minutes (Billion)	204	124	328	62.18%
Acc. Min./PSL/Month	167	306	202	
Revenue/PSL/Month	$28.23	$51.48	$34.04	
1992				
PSL (000)	101,204	37,521	138,725	72.95%
Revenue ($Million)	35,495	23,877	59,372	59.78%
Access Minutes (Billion)	212	138	350	60.43%
Acc. Min./PSL/Month	174	306	210	
Revenue/PSL/Month	$29.23	$53.03	$35.67	

TREND OF USF PER ACCESS MINUTE FROM 1989 TO 1993
For Industry, AT&T and Competitors

	1989	1990	1991	1992	1993 (est.)
Total Interstate Access Minutes (Billion)	277.0	307.5	328.1	350.3	372.9
USF ($Million)	510.3	577.4	637.3	695.4	737.5
USF $ per MOU	0.00184	0.00188	0.00194	0.00199	0.00198
USF AT&T Share w PSL ($Million)	427.7	465.4	489.0	532.5	554.9
AT&T Interstate Access Minutes (Billion)	179.9	192.7	204.0	211.7	225.9
AT&T USF $/MOU	0.00238	0.00242	0.00240	0.00252	0.00246
USF Other IXC Share w/PSL ($Million)	82.6	112.0	148.3	162.9	182.6
Other IXC Interstate Access Minutes (Billion)	97.1	114.8	124.1	138.6	147.0
Other IXC USF $/MOU	0.00085	0.00098	0.00120	0.00118	0.00124

TREND OF USF PER LONG DISTANCE REVENUE DOLLAR FROM 1989 TO 1993
For Industry, AT&T and Competitors

	1989	1990	1991	1992	1993 (est.)
Total Long Distance Compan Revenue ($Billion)	51,184	52,102	55,260	59,372	62,500
USF ($Million)	510.3	577.4	637.3	695.4	737.5
USF per $ LD Revenue	0.00997	0.01108	0.01153	0.01171	0.01180
USF AT&T Share w PSL ($Million)	427.7	465.4	489.0	532.5	554.9
AT&T Long Distance Revenues ($Billion)	34,549	33,880	34,384	35,495	36,600
AT&T USF/$LD Revenue	0.01238	0.01374	0.01422	0.01500	0.01516
Other IXC Long Distance Revenues ($Billion)	16,635	18,222	20,876	23,877	25,900
USF Others IXC Share w/PSL ($Million)	82.6	112.0	148.3	162.9	182.6
Other IXC USF/$LD Rev.	0.00497	0.00615	0.00710	0.00682	0.00705

CHANGE IN ESTIMATED AT&T USF PAYMENTS FOR 1993
Using Alternative Allocators Based On 1992 Data

Long Distance Revenue Allocation

Total Long Distance Company Revenue ($Billion)	59,372
AT&T Long Distance Revenues ($Billion)	35,495
AT&T LD Revenue Share (%)	59.78%
USF ($Million)	737.5
USF AT&T Share w/PSL ($Million)	554.9
USF Payment w/Long Distance Revenues ($Million)	440.9
Difference in USF Payment w/LD Revenues ($Million)	114.0

Access Minutes Allocation

Total Intertate Access Minutes (Billion)	350.3
AT&T Interstate Access Minutes (Billion)	211.7
AT&T Share of Interstate Access Minutes (%)	60.43%
USF ($Million)	737.5
USF AT&T Share w/PSL ($Million)	554.9
USF Payment w/Access Minutes ($Million)	445.7
Difference in USF Payment w/Access Minutes ($Million)	109.2

CHANGE IN ESTIMATED AT&T USF AND LIFELINE ASSISTANCE PAYMENTS FOR 1993
Using Alternative Allocators Based On 1992 Data

Long Distance Revenue Allocation

Total Long Distance Company Revenue ($Billion)	59,372
AT&T Long Distance Revenues ($Billion)	35,495
AT&T LD Revenue Share (%)	59.78%
USF and Lifeline Assistance($Million)	870.6
USF and Lifeline Assistance AT&T Share w/PSL ($Million)	655.0
USF and Lifeline Assistance w/Long Distance Revenues ($Million)	520.5
Difference in Payment w/Long Distance Revenues ($Million)	134.5

Access Minutes Allocation

Total Intertate Access Minutes (Billion)	349.5
AT&T Interstate Access Minutes (Billion)	211.7
AT&T Share of Intrestate Access Minutes (%)	60.43%
USF and Lifeline Assistance ($Million)	870.6
USF and Lifeline Assistance AT&T Share w/PSL ($Million)	655.0
USF and Lifeline Assistance w/Long Distance Revenues ($Million)	526.1
Difference in Payment w/Long Distance Revenues ($Million)	128.9

CERTIFICATE OF SERVICE

I, Ann Marie Abrahamson, do hereby certify that on this 24th of November, 1993, a copy of the foregoing "Petition of American Telephone and Telegraph Company" was mailed by U.S. first class mail, postage prepaid, to the parties listed on the attached Service List.

/s/ Ann Marie Abrahamson
Ann Marie Abrahamson